

THE MEMORIAL

OF

PETER BUCHANAN

AND

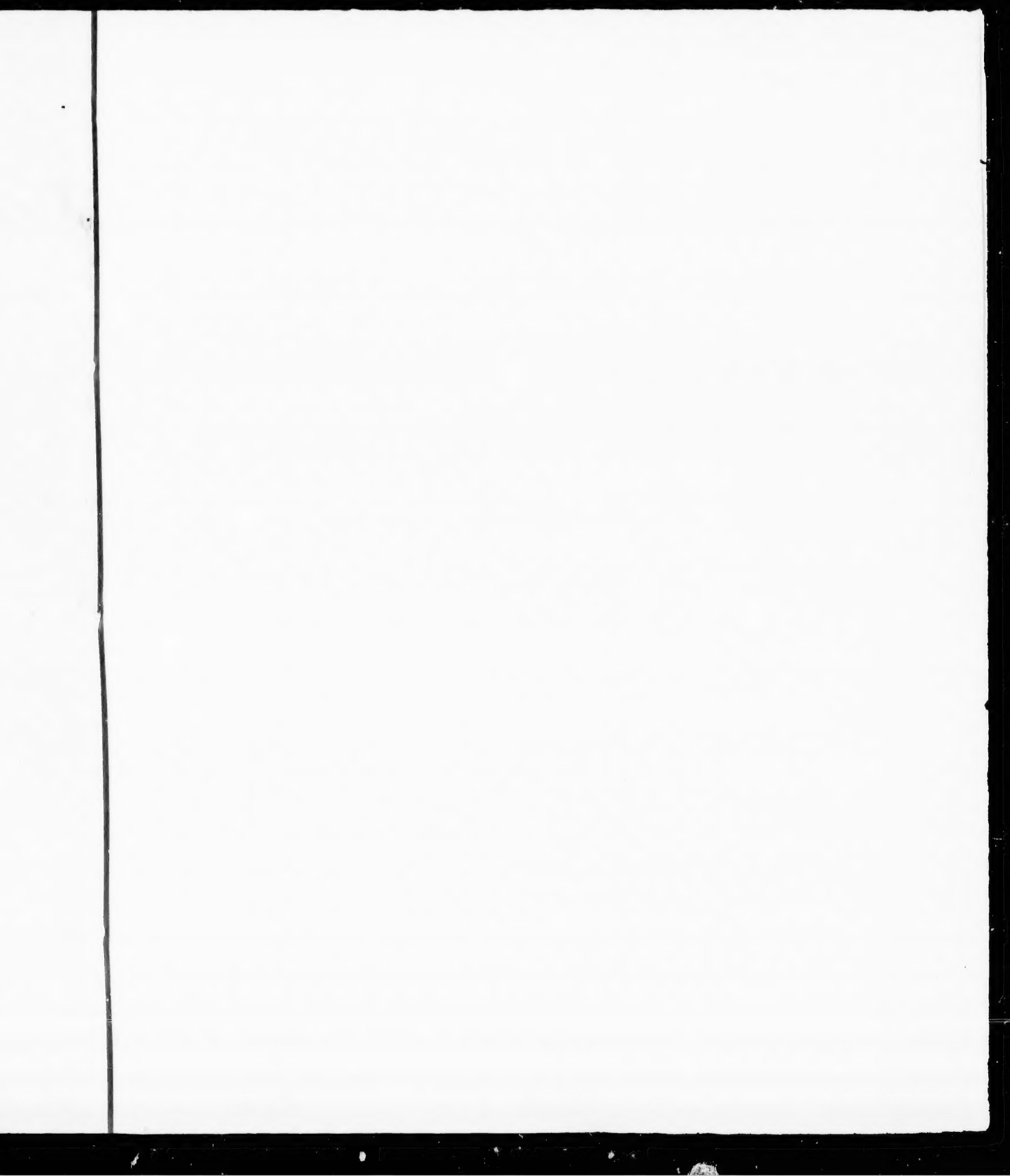
ROBERT SHANK ATCHESON,

ESQUIRES,

RELATIVE TO

The Great Western Railway of Canada.

1850.



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To the Right Honourable the EARL GREY, one of Her Majesty's Principal Secretaries of State, &c. &c.,

The Memorial of PETER BUCHANAN, of Glasgow; and ROBERT SHANK ATCHESON, of London, ESQUIRES:—

Sheweth,

THAT your Memorialists are the Agents appointed by power of attorney to obtain in England subscriptions for shares in the undisposed-of stock of the Great Western Railway Company of Canada, and to attend to its interests and affairs in this country.

That in consequence of the heavy losses and reverses in Railway transactions, which have recently occurred in this country, your Memorialists find it very difficult, and believe it to be impossible, to dispose of any considerable amount of the Company's stock, and to obtain sufficient funds to complete the undertaking, without the countenance and aid of the Imperial Government.

That under these circumstances your Memorialists venture to submit the case of the Great Western Railway of Canada to your Lordship, as Her Majesty's Secretary of State for the Colonies, with a respectful but confident assurance, from the many proofs which your Lordship has given of an earnest and enlightened interest in the advancement of the welfare of the British Provinces in North America, that if the completion of the Great Western Railway is, as your Memorialists believe that they have the means of showing it to be, an object of the greatest importance to one of the principal of those provinces, your Lordship will not withhold such assistance as may be at your Lordship's command, but will readily extend to it your encouragement and protection.

Your Memorialists accordingly beg leave to represent, that the Great Western Railway of Canada is an undertaking of great national value and importance,—not only as it affects the interests of one of the principal of the British provinces in North America, but as it is designed and calculated to extend the trade of Great Britain with those sections of Canada, and of the United States of America, in which population, commerce, and wealth are most rapidly extending, and to which the great stream of emigration from Europe is chiefly directed.

That for a distance of 185 miles the Great Western Railway passes through the heart of the wealthiest and most fertile districts of Upper Canada, in which there are many thriving towns and villages.

That its principal station is at the Port of Hamilton, at the head of Lake Ontario, which has become one of the chief centres of the commerce of Upper Canada, and that proceeding from that point, in the direction of Dundas, Brandtford, Woodstock, London, and Chatham, to Port Windsor, at the western extremity of the boundary of Upper Canada, it connects the trade of the St. Lawrence River and Lake Ontario with the North Western States of the American Union; and by a branch from the town of London to Port Samia, at the foot of Lake Huron, it connects that trade with the waters of Lake Huron, and of the other great Lakes of that part of the North American Continent; while by a branch from the Port of Hamilton to the Niagara River, it forms a junction with the Railways of the State of New York and those of Massachusetts, and the other New England States; and at its Western Terminus it is placed in communication with the Railways running through Michigan and Illinois towards the great valley of the Mississippi. At the same time, the Great Western Railway forms a portion of the Great Trunk

Lines of Railway, proposed to be carried through the British Provinces in North America, from Halifax in Nova Scotia, to Quebec, and from thence through Montreal, Kingston, Toronto, and Hamilton to the western boundary of Canada at Windsor, opposite the City of Detroit in the State of Michigan.

That the Company was originally incorporated by an Act of the Legislature of Upper Canada in the year 1834, and that several Acts of that Legislature were subsequently passed with the design of encouraging and affording pecuniary aid to the undertaking, and that it has also been the subject of several Acts of the Parliament of Canada, since the Union of the Provinces of Upper and Lower Canada.

That in the last Session of the Parliament of Canada, the importance of this undertaking and its claims to the encouragement and assistance of the Legislature were again considered and fully recognised by the Legislative Assembly; and that an Act was passed enabling the Provincial Government to render large and liberal assistance to railway undertakings in Canada.

That in passing this Act, the Legislature of Canada had special reference to the case of the Great Western Railway appears from the following statement of the Inspector-General of the Province, the Honourable Francis Hincks, who, in presenting to the British public, in the course of last summer, some information on the financial position and resources of Canada, thus alluded to the Great Western Railway:—

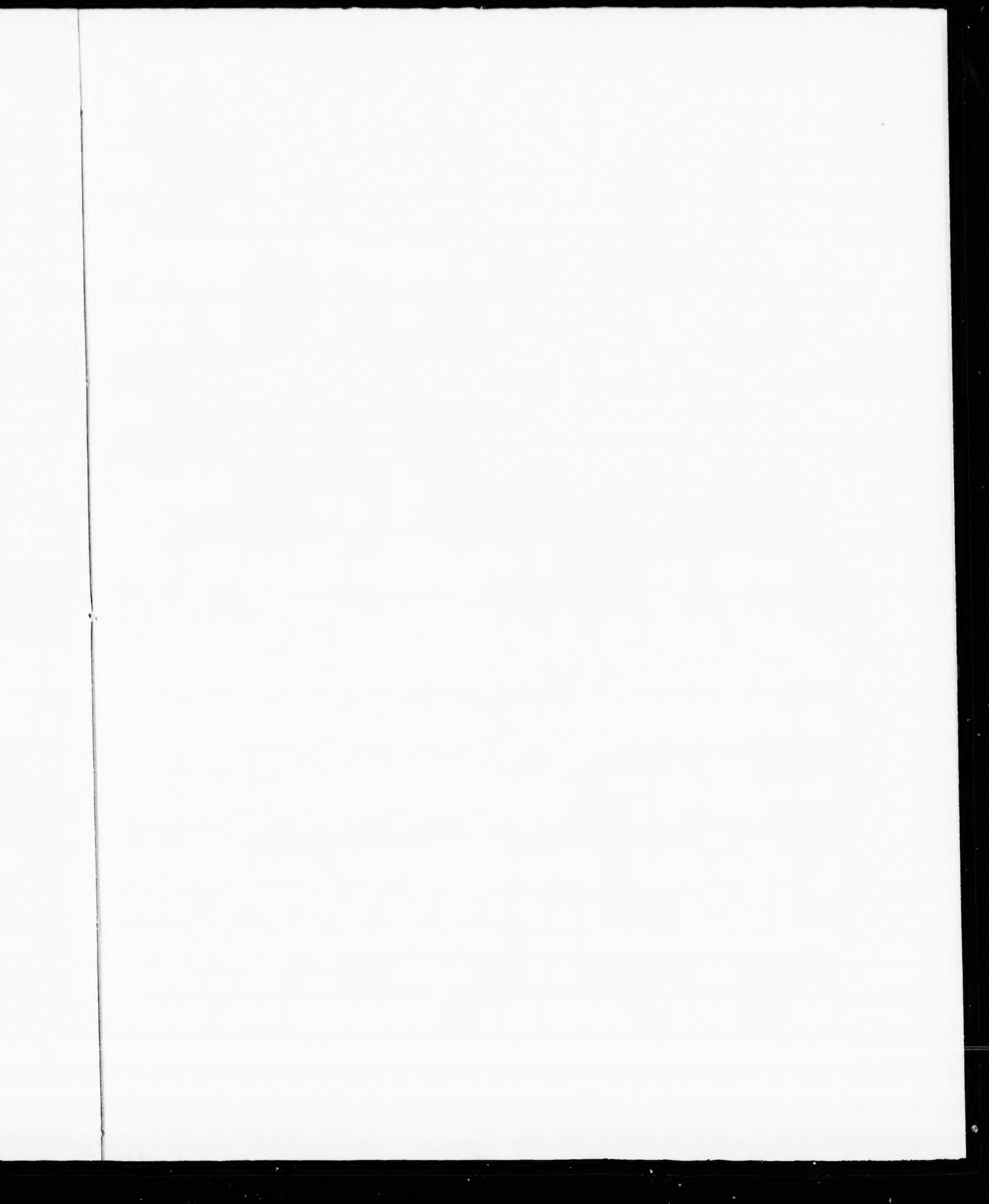
“ With regard to the Montreal and Portland, and the Great Western Railroads, I would simply observe, that the Companies incorporated for the construction of these lines, are entitled by an Act of last Session to the guarantee of the Province for the interest at six per cent. on debentures issued by them to enable them to complete their roads. This guarantee however cannot be given until each Company has completed one half of the road. I may observe that, when those guarantees were given, the Legislature, in amending the Customs' Acts, gave authority to the Governor-General to add five per cent. to the Customs' duties, whenever he should deem it necessary to do so. The guarantee, therefore, is not one of mere parchment, but the ways and means have been provided beforehand, to enable the Government to fulfil its obligations.

“ It would be inconsistent with my present object to dwell at any length on the Portland and Great Western Railroads. I thought it proper to state what the Province had done in aid of the completion of these works, conceiving that I could not furnish a stronger proof of the estimation in which they are held.”

That in order to present to your Lordship a clear and distinct view, based on reliable testimony, of the importance of the Great Western Railway, and more particularly of its relation to the trade of the St. Lawrence River and Lake Ontario, your Memorialists have appended to this Memorial some extracts from the proceedings in the last Session of the Parliament of Canada, of the Standing Committee of the Legislative Assembly on Railway Bills and Telegraphic Lines, exhibiting the evidence of practical men of long experience, and of the highest respectability. To these extracts, your Memorialists beg leave most respectfully to refer, and to solicit your Lordship's careful consideration of them.

Your Memorialists have also appended to this Memorial a printed copy of the Report of Charles Stuart, Esq., the Chief Engineer of the Great Western Railway, containing full details of the cost of constructing and working the Railway, its sources of traffic, and an estimate of its probable receipts, with two maps; the one showing its course through the districts of Canada, through which the Railway passes, and the other its connection with the lines of American Railways, and more particularly its relation to and connection with the proposed Railway system of Canada, and the trade of the St. Lawrence River, and Lake Ontario.

Your Memorialists beg leave to submit to your Lordship, that it is evident from these documents, that the Great Western Railway is of the greatest importance to the trade of the St. Lawrence River,



and Lake Ontario; and that it is, moreover, eminently calculated to be of the highest value to Great Britain, by extending the market for British manufactures, and distributing the products of British industry at the lowest charge, in the most convenient manner, and with perfect security and regularity at all seasons of the year, over a vast territory, annually augmenting its commerce, and increasing its population and wealth at a rate of unexampled rapidity; and that, in addition to these inestimable benefits, it will facilitate the settlement of the emigrant population of this country in the most eligible and fertile districts of Canada, and remove many of the inconveniences and causes of suffering to which the emigrants are at present unavoidably exposed in their passage to the interior of the country.

That it is also evident that the construction of this line of railway will not merely tend to preserve to the River St. Lawrence and Lake Ontario the trade which they now possess, and even considerably to extend and increase it, by drawing to them a valuable portion of the trade, which is now carried over the American lines of railway, and by the waters of Lake Erie, but that if the Great Western Railway is not constructed without delay, another line of railway will be carried by the aid of American capital and enterprise, through Canada, by a course to the southward of the Great Western Railway, in connection with the city of Buffalo, in the State of New York; and that such Southern line not only will not secure any of the beneficial results to British interests, which will be secured by the construction of the Great Western Railway; but that on the contrary, it will in the judgment of experienced persons of high respectability and well acquainted with the routes of commerce in those parts of the North American Continent, have the effect of drawing away from the St. Lawrence River, and Lake Ontario, and consequently from Canada and British interests a large portion of the trade which they now possess.

Your Memorialists submit, that these documents likewise prove that the traffic on the Great Western Railway, estimated even on the basis of a portion only of the existing traffic of that part of the North American Continent being attracted to it, and without including in the estimate, the traffic which is annually springing up with unvarying certainty and rapidity, will be sufficient to yield an ample remuneration and liberal return on the capital expended in the construction of the road.

That the estimates of the cost of the Great Western Railway have been carefully framed, and that their accuracy and sufficiency are sustained by the opinion of Civil Engineers, unconnected with the undertaking, who have acquired great local as well as general experience both in America and Europe regarding the construction of Railways; and that the location of the line is judicious and well chosen, and the surveys and plans entitled to the fullest confidence.

Your Memorialists beg further to represent, that in the year 1845, five thousand shares only in the Company's Stock having been taken up and subscribed for in Canada, the Directors, through the President of the Company, Sir Allen N. Macnab, then Speaker of the Legislative Assembly of Canada, entered into an agreement with certain parties in London, who were at that time considered men of great wealth, and who were known to have great experience and influence in Railway transactions in England, for the disposal to them of the remaining fifty-five thousand shares; but that owing to the check and reverse in Railway affairs which took place in the following year, those parties found themselves unable to fulfil their contract; and ultimately the directors were under the necessity of releasing them from their engagements.

That considerable disadvantage and prejudice in England were the result of this transaction, and that in Canada the greatest disappointment and dissatisfaction were felt at the obstruction thus caused to the prosecution of an enterprise of such deep and vital importance to its interests.

That notwithstanding this discouragement, a large amount of the Company's Stock has since been subscribed for, and that in the event of no further applications for Shares being received, it is proposed to raise the remainder of the funds required for the completion of the undertaking, by the issue of the Company's Debentures, with the guarantee by the Provincial Government of an

interest thereon at six per cent. in the manner above described by the Inspector General of the Province.

That about eighteen thousand pounds have been expended in the requisite surveys and other preliminary expenses, and in the purchase of stations and depôt grounds, and the site of the Line of Railway.

That a portion of the subscriptions to the Company's Stock, which have been obtained, are from the Municipal Corporations of the towns or districts through which the Line of the Great Western Railway passes, and that such Corporations have no means of raising the funds required by their subscriptions, except by the issue of Bonds under their corporate seals.

That although capital and wealth have been accumulated in Canada to a very considerable amount, and additions thereto are annually accumulating at an accelerated rate, the credit of the Province has suffered severely in consequence of the Commercial Distress in England in 1847, and from changes in the ordinary channels of business necessarily incident to alterations in the Commercial Laws of a country.

That your Memorialists are therefore apprehensive that, although the security, which the Corporations in question propose to offer, will be ample for the punctual and full payment, both of principal and interest, there may be difficulty in negotiating their Bonds in time to meet the calls of the Company upon the Shareholders with regularity, and that the Directors may thereby be obstructed in their efforts to proceed with the undertaking, with the promptness and energy requisite alike for its success and the interests of the Province.

That both your Memorialists have resided in Canada, and are personally acquainted with its condition and circumstances, and that your Memorialist, Peter Buchanan, is deeply interested in its trade, having a very large capital embarked in it, and that consequently he has numerous correspondents in almost all parts of Canada, most of whom are highly intelligent and well-informed persons. That your Memorialist, Peter Buchanan, in his communications from and with such parties, has invariably found them, without exception, to concur in representing the advantages to be derived from the completion of the Great Western Railroad as incalculable; not only in developing the resources of a rich and beautiful country through which the Railway passes, but in diverting men's minds from the unhappy political dissensions which have obtained too much of late.

That your Memorialists hope to be excused in the expression individually, of their firm persuasion, that the prosecution of this undertaking at the present time, would be attended with the most beneficial results, independently of those ultimate advantages, which it is calculated to secure; and that, should the completion of the Great Western Railway be achieved under your Lordship's administration, and by your Lordship's encouragement and protection, this further proof of your Lordship's solicitude for the interests and welfare of Canada will be deeply and most gratefully impressed upon the memory of the Canadian people.

Your Memorialists beg to submit, with reference to specific measures for enabling the Great Western Railway Company of Canada to proceed with the undertaking, that the Parliament of Canada has not only provided by the Act, amending the Customs' Duties Act, a special fund to enable the Provincial Government to discharge the obligations which it may contract in promoting the construction of railways in Canada; but, by the Act authorising the Provincial Government to guarantee the interest on loans raised by Railway Companies, has both provided against the accumulation of arrears of interest, and secured the formation of an ample Sinking Fund for the liquidation of the loans themselves, by a provision, the sufficiency of which is manifest from the following extract from the Act of Parliament:

"That the payment of the interest guaranteed by the Province shall be the first charge upon the tolls and profits of the Company, and that no dividend shall be declared so long as any part of the said interest remains unpaid.

"That so long as any part of the principal, on which interest is guaranteed by the province

remains unpaid, no dividend shall be paid to the Shareholders, until a sum equal to three per cent. on the amount so unpaid shall have been set aside from the surplus profits of such railroad, and paid over to the Receiver General, under the provisions hereinafter contained, as a Sinking Fund for the redemption of the debt, on which interest is guaranteed as aforesaid, and that the Receiver General shall have the first hypothec mortgage, or lien, of holders of securities, on which interest is guaranteed by the province, for the interest so guaranteed, and the principal, on which it shall accrue."

Your Memorialists further submit, That if the expediency of a provision of the requisite means for the immediate construction of the Great Western Railway be evident from the special and peculiar nature of the political and commercial considerations, which constitute that work an object of national as well as provincial importance, in an eminent degree, and Her Majesty's Government should determine to extend some countenance and aid to the undertaking,—that effect can be given to such determination, without entailing any charge on the Imperial Finances; inasmuch as it is manifest, that the addition of the guarantee of the Imperial Government to that of the Provincial Government, of the interest on the loans raised by the Great Western Railway can entail no such charge, and that the practical and sole result of that additional guarantee would be the removal of distrust regarding Canadian Securities from the minds of capitalists in this country, arising from the peculiar state of public opinion respecting the nature of the political position of Canada at the present time, and the allaying apprehension of injurious effects upon the prosperity and resources of the Province, from alterations in the commercial laws of this country, which apprehension, however unfounded, is highly detrimental to the welfare of Canada and British interests connected with it.

That upon this position, your Memorialists have based a proposition for removing the difficulties which obstruct the completion of the Great Western Railway, and have appended to this Memorial a Memorandum, in which such proposition is embodied.

That your Memorialists beg to refer to that Memorandum, and earnestly to solicit your Lordship's most favourable consideration of it.

Your Memorialists, however, submit the premises to your Lordship, respectfully soliciting your Lordship to take such early action in regard thereto as in your Lordship's judgment the importance and urgency of the considerations involved, may require.

And your Memorialists will ever pray, &c.

(Signed)

PETER BUCHANAN,
ROBERT SHANK ATCHESON.